BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2018-202-E - ORDER NO. 2019-247

APRIL 9, 2019

IN RE: Petition of Duke Energy Carolinas, LLC and
Duke Energy Progress, LLC for Approval of
CPRE Queue Number Proposal, Limited
Waiver of Generator Interconnection
Procedures, and Request for Expedited
Review

ORDER REQUIRING
REPORTS ON OUTCOME
STANDARDS REVIEW
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ORDER REQUIRING

This matter comes before the Public Service Commission of South Carolina ("Commission") on the Request of the South Carolina Solar Business Alliance seeking to file comments in response to Duke Energy Carolinas, LLC's and Duke Energy Progress, LLC's (collectively, the "Companies," "Duke Energy," or "Duke") Queue Report and the Office of Regulatory Staff ("ORS") Investigation, seeking delay to any action on the recommendations contained in the ORS Investigation Report and requesting that the Commission open a new docket in concurrence with ORS recommendation number 1 in its Report. As background, On December 12, 2018, the Commission issued Order No. 2018-803(A), approving the Dukes's Petition for waivers of certain sections of the South Carolina Generator Interconnections Procedures to allow participation of South Carolina projects in Tranche 1 of their North Carolina Competitive Procurement of Renewable Energy ("CPRE") program. Among other things, that Order required the Companies to report on the status of their interconnection queues, the reasons for backlogs in processing interconnection requests in the Companies' queues, and the Companies' plans

to remedy the backlog challenges. The Order additionally requested that the Office of Regulatory Staff investigate and file a report on the status of the Companies' interconnection queues.

Accordingly, ORS submitted its report on February 15, 2019, making recommendations that the Commission:

- Open a docket to specifically examine the technical issues contributing to the Companies' interconnection queue challenges;
- 2. Require Duke Energy to strictly adhere to the SCGIP timelines;
- 3. Require Duke Energy cease all practices not identified in the SCGIP;
- Allow other interested parties an opportunity in this Docket to investigate and provide comments to the Commission on Duke Energy's Interconnection Report;
 and
- 5. Require Duke Energy to pursue the remedies identified in the Interconnection Report and include specific updates on these remedies in quarterly updates to the Commission and ORS.

On March 5, 2019, the South Carolina Solar Business Alliance filed a motion seeking to file comments in response to the Companies' Queue Report and the ORS Investigation, seeking delay to any action on the recommendations contained in the ORS Investigation Report, and requesting that the Commission open a new docket. In its motion, the Solar Business Alliance also agrees with ORS's recommendation number 4 regarding an opportunity for other parties in the docket to investigate and provide comments on the Duke Report. However, the Solar Business Alliance disagrees with

ORS's recommendations 3 and 5 that would require Duke to cease all practices not identified in the generator interconnection procedures and to pursue the remedies identified in the Interconnection Report, stating they are based on an incomplete and one-sided presentation of the facts related to Duke's queue processing issues, which would have severe adverse consequences not understood or foreseen by ORS, such as mitigation options not identified in the interconnection procedures. The Interstate Renewable Energy Council supports the Solar Business Alliance's motion.

Duke replied on March 26, 2019, either agreeing with or not opposing the recommendations of the ORS Report, including opening a new docket to examine the queue backlog. However, given the technical complexity of the issues impacting the interconnection queue, the Companies believe it may be more expedient to informally engage with the ORS and other stakeholders to discuss these issues. For example, a Technical Standards Review Group meets quarterly with ORS and others to discuss the technical issue of interconnection, planned revisions to technical standards, and industry developments. Additionally, a stakeholder process has been started on March 28, 2019, to discuss larger queue reform solutions. Duke states that allowing these stakeholder discussions to proceed prior to initiating a new docket may allow the Companies, ORS, and other parties to resolve issues more efficiently than through a formal docket.

We believe that the best solution is for the parties to attempt to informally and cooperatively resolve the matters addressed by ORS and the Solar Business Alliance's recommendations through the Technical Standards Review Group and the stakeholder process. Therefore, this Commission should wait to initiate the recommendations of the

ORS report and also wait to open a new docket until information has been provided by

the parties on how the interactions between the interested groups proceed. As a result,

the parties shall provide an update on the progress of the Technical Standards Review

Group in resolving the issues presented in this docket. This update is required within 30

days of the conclusion of each quarterly meeting. Additionally, I move that the parties

shall provide an update to the stakeholder process within 60 days of the date of the

directive originally issued in this matter, April 3, 2019.

This Order shall remain in full force and effect until further order of the

Commission.

BY ORDER OF THE COMMISSION:

Comer H. Randall, Chairman

Justin 7. Williams, Vice Chairman

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